

BUSINESS MEETING  
BEFORE THE  
CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

CALIFORNIA ENERGY COMMISSION  
HEARING ROOM A  
1516 NINTH STREET  
SACRAMENTO, CALIFORNIA

WEDNESDAY, OCTOBER 23, 2002  
10:05 A. M.

Reported by:  
Peter Petty  
Contract No. 150-01-006

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

William Keese, Chairman

James D. Boyd, Commissioner

John L. Geesman, Commissioner

Robert Pernell, Commissioner

Margaret J. Kim, Ex-Officio

PUBLIC ADVISER

Grace Bos, Deputy Public Adviser

STAFF PRESENT

Steve Larson, Executive Director

William Chamberlain, Chief Counsel

Lisa DeCarlo, Staff Counsel

John Sugar, Item 2

Pramod Kulkarni, PIER Program

Virginia Lew, on behalf of Melinda Rogers

Adel Suleiman, Item 6

Sherry Stoner, Transportation Energy Division

Joseph Wang, Item 9

ALSO PRESENT

Bernie Orozco  
Sempra Energy

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## P R O C E E D I N G S

10:05 a.m.

COMMISSION CHAIRMAN KEESE: Good morning. We'll call this meeting of the Energy Commission to order.

Ms. Kim, would you lead us in the pledge, please.

EX-OFFICIO MEMBER KIM: Yes.

(Whereupon, the Pledge of Allegiance was recited in unison.)

COMMISSION CHAIRMAN KEESE: Commissioner Rosenfeld will not be joining us today. Ms. Kim is joining us ex-officio. Welcome.

Before we get started, some logistics here. We have a meeting scheduled for November 6th that you're aware of. We are going to schedule a Commission meeting for November 20th that is not on our schedule. We will not have our meeting on the 27th, the day before Thanksgiving, to accommodate our guests only, and in December we have one meeting scheduled for December 11th, so everybody has that on their schedule.

It is my intention today to take items in the following order, after we do the consent calendar. We have five related items and we're

1 going to take them together. So our order will be  
2 we will take Item three first, four second, seven  
3 third, nine fourth, and then we will take a series  
4 which is two, five, six, eight, and ten, which are  
5 all related. And that's for the benefit of those  
6 who may be listening and want to know where  
7 they're going to come up in the schedule.

8 Do I have a motion on the consent  
9 calendar?

10 COMMISSIONER BOYD: So moved.

11 (Thereupon, the motion was made.)

12 COMMISSIONER GEESMAN: Second.

13 (Thereupon, the motion was seconded.)

14 COMMISSION CHAIRMAN KEESE: Motion Boyd,  
15 second Geesman.

16 All in favor?

17 (Ayes.)

18 COMMISSION CHAIRMAN KEESE: Approved,  
19 four to nothing.

20 Thank you.

21 Then we will take up item three, Power  
22 Plant Siting Regulations, possible consideration  
23 and adoption of amendments to the power plant  
24 siting regulations.

25 STAFF COUNSEL DeCARLO: Good morning,

1 Commissioners, Chairman.

2 COMMISSION CHAIRMAN KEESE: Good  
3 morning.

4 STAFF COUNSEL DeCARLO: With regard to  
5 the proposed amendment, staff originally looked at  
6 the regulations to see if there were any areas  
7 that could be improved. And we originally  
8 identified four separate areas.

9 The first area is section 1230 through  
10 1236, and we identified the ability to improve it  
11 by establishing a separate post-certification  
12 complaint process. The proposed amendment would  
13 add a new section to establish a completely  
14 separate procedure for handling complaints  
15 exclusively for matters related to power plant  
16 licensing by the Commission.

17 It would specify the required contents  
18 of the complaint to ensure that a minimum amount  
19 of information is provided in order to allow staff  
20 to begin an investigation of the complaint. It  
21 would then give Commission staff 30 days to  
22 investigate the complaint and file a report  
23 detailing staff's conclusions.

24 Once the report was issued, it would  
25 allow written comments on either the complaint or

1 the staff report to be submitted within 14 days,  
2 and then it would provide for the Committee to  
3 have 30 days from issuance of the staff report to  
4 either dismiss the complaint for lack of  
5 sufficiency or lack of merit, or issue a written  
6 decision on the complaint, or conduct further  
7 hearings.

8 The second area that we identified a  
9 potential room for improvement is section 1720.3  
10 dealing with construction deadline. We originally  
11 identified a potential improvement attempting to  
12 limit, set forth certain time lines for the  
13 deadlines, the first being two years to start  
14 construction, and then with a one-year allowance  
15 for due cause, and then once construction was  
16 started, we originally set forth a two-year  
17 deadline for commencement of operation.

18 However, during the course of our  
19 submittal of these proposed changes we received  
20 several comments on the matter, to the effect that  
21 they would potentially discourage new developers  
22 from coming in to the siting process, that the  
23 regulations potentially conflicted with SB 1269  
24 that had been recently enacted, and other comments  
25 to that effect.



1           So, based upon those comments and  
2           further discussion, we propose that those  
3           regulation changes to 1720.3 be removed from the  
4           proposed changes.

5           The third area that we identified a  
6           potential for improvement is with regard to  
7           section 1768 of the regulations. Originally this  
8           allowed for a notice of decision to be filed with  
9           both the Secretary of Resources and the Governor's  
10          Office of Planning and Research. However, CEQA  
11          only requires, for a certified regulatory agency  
12          such as ourselves, that the notice of decision be  
13          filed with the Secretary of Resources; therefore,  
14          we just clarified the regulations to follow CEQA  
15          and only require the filing with the Secretary of  
16          Resources.

17          The fourth area that we identified a  
18          potential room for improvement was in 1769, and  
19          these changes are only proposed to clarify the  
20          language. It is in no way changes the actual  
21          intent or effectiveness of the language.

22          The original language in 1269 with  
23          regards to amendments allows for an amendment, if  
24          information was not available to the parties, our  
25          proposed change is an attempt to make the language

1 more in compliance with what CEQA requires for an  
2 EIR, a subsequent EIR, and that language is  
3 information which was not known and could not have  
4 been known with the exercise of reasonable  
5 diligence.

6 Now, we did receive a comment from  
7 Sempra regarding this proposed change. Their  
8 concern is that it's a vague standard and that it  
9 would require the Commission to actually delve  
10 into the issue of whether or not the applicant  
11 knew of the information prior to the amendment.

12 Our belief is that this language in no  
13 way changes the original language, it just  
14 clarifies what the actual intent is, and if there  
15 is a concern over the ambiguity of the language,  
16 there should be sufficient case law within CEQA  
17 that describes the language --

18 COMMISSION CHAIRMAN KEESE: Well, we're  
19 going to hear from Sempra, so I think we'll come  
20 back to you after that.

21 STAFF COUNSEL DeCARLO: Okay. And those  
22 were the four areas. Like I said before, we did  
23 decide to remove 1720.3 from the proposed  
24 regulation changes.

25 COMMISSION CHAIRMAN KEESE: Thank you.

1 Commissioner Geesman?

2 COMMISSIONER GEESMAN: Mr. Chairman,  
3 these regs I think stretched out across three  
4 separate generations of siting committees. When  
5 they were initiated we did face a significantly  
6 different world than that which we find ourselves  
7 confronted with today. One of the notable  
8 changes, in addition to the modifications in the  
9 market, has been the passage of SB 1269.

10 The siting committee, after careful  
11 review of comments filed by a number of different  
12 parties, elected to follow the staff  
13 recommendation and delete the 1720.3 section  
14 entirely. We believe that SB 1269 adequately  
15 addresses this question of construction  
16 milestones. We also endorse the other staff  
17 recommendations.

18 I'm under the understanding that there  
19 was a question raised by CARE about noticing  
20 procedure for our adoption today, so I would ask  
21 the General Counsel's Office to address that  
22 question before we proceed.

23 CHIEF COUNSEL CHAMBERLAIN: Yes. I sent  
24 Mr. Boyd, Michael Boyd --

25 COMMISSIONER BOYD: Thank you.

1 (Laughter.)

2 CHIEF COUNSEL CHAMBERLAIN: -- an  
3 e-mail explaining that I believe he had  
4 misinterpreted the Committee's notice. The  
5 Committee was informing the public in advance of  
6 this meeting of what their recommendation would be  
7 to the Commission. The notice had gone out, you  
8 know, on this rulemaking, including all of the  
9 changes. And certainly, any member of the public  
10 is able to comment on any of the changes that they  
11 wish to comment on.

12 But he misinterpreted the Committee's  
13 notice as something that actually changed or  
14 narrowed the scope of the agenda item without  
15 adequate notice, and I simply informed him that  
16 the public could still comment on the entire scope  
17 of the matter.

18 COMMISSIONER GEESMAN: So I think,  
19 Mr. Chairman, that I'll defer my motion until  
20 we've heard from Sempira, but I do want to indicate  
21 that the Committee's recommendation is consistent  
22 with that of the staff, that the regs as proposed  
23 be adopted.

24 COMMISSION CHAIRMAN KEESE: Thank you.

25 I have a blue card submitted by

1 Mr. Orozco of Semptra at this time.

2 MR. OROZCO: Good morning, Mr. Chairman,  
3 members. Bernie Orozco with Semptra Energy.

4 Staff has laid out the issue pretty  
5 clearly from our perspective. Our general concern  
6 here is, first of all, what problem are you trying  
7 to solve here, other than trying to maybe parallel  
8 some language from CEQA law? We don't see that  
9 there is any problem at this point with the post  
10 certification process.

11 Specific to the process as proposed,  
12 it's not a matter of just knowing, it's could have  
13 known or should have known. That's the concern.  
14 That's a very arbitrary standard, one that is sort  
15 of second-guessed after the fact, that there was  
16 something that, through due diligence, we should  
17 have brought to the attention earlier.

18 We think the process, as I said, is very  
19 detailed, it's very time-consuming, and that most  
20 issues or all issues are found through the normal  
21 course of the way the certification process exists  
22 now. So we're not quite sure what you're trying  
23 to fix here, and we do appreciate the changes in  
24 the other sections. That was certainly a higher  
25 priority, very, very significant for us.

1           This is not a make-or-break issue, but  
2           it is an issue that we have a concern with.

3           COMMISSIONER GEESMAN: Mr. Chairman?

4           COMMISSION CHAIRMAN KEESE: Commissioner  
5           Geesman.

6           COMMISSIONER GEESMAN: Let me add that  
7           we felt it important to conform to the CEQA  
8           guideline. The certification of our process is,  
9           the regulatory equivalent of CEQA is one of the  
10          more important objectives of the Commission's  
11          siting program. And while the comments may be  
12          properly addressed to CEQA itself, from our  
13          perspective it was important to have our  
14          regulations conform.

15          COMMISSION CHAIRMAN KEESE: And this is  
16          conforming language?

17          COMMISSIONER GEESMAN: Yes.

18          COMMISSION CHAIRMAN KEESE: Thank you.

19          MR. OROZCO: Thank you.

20          COMMISSION CHAIRMAN KEESE: Do we have  
21          anybody else in the audience who cares to speak to  
22          this issue?

23          Seeing none, do we have a motion?

24          COMMISSIONER GEESMAN: Mr. Chairman, I  
25          would move that we adopt the regulations as

1 recommended by the staff and as proposed by the  
2 siting committee.

3 (Thereupon, the motion was made.)

4 COMMISSION CHAIRMAN KEESE: Motion,  
5 Commissioner Geesman.

6 COMMISSIONER PERNELL: Second.

7 (Thereupon, the motion was seconded.)

8 COMMISSION CHAIRMAN KEESE: Second,  
9 Commissioner Pernell.

10 All in favor?

11 (Ayes.)

12 COMMISSION CHAIRMAN KEESE: Opposed?

13 Adopted, four to nothing.

14 Thank you.

15 STAFF COUNSEL DeCARLO: Thank you.

16 COMMISSION CHAIRMAN KEESE: Thank you.

17 Now we will take up item four,  
18 Wine secrets, a possible approval of contract 500-  
19 02-009 for \$309,757 to demonstrate tartrate  
20 stabilization of wines by electrodialysis.

21 MR. KULKARNI: Good morning,  
22 Commissioners. I am Pramod Kulkarni with the PIER  
23 Program. And within PIER, Industrial Air and  
24 Water Projects Program is what I work on.

25 This is a contract --

1 COMMISSION CHAIRMAN KEESE: Is this the  
2 second one in this area?

3 MR. KULKARNI: In fact, I wanted to  
4 address that also. This is exactly -- we didn't  
5 sign the contract -- it was approved by the Commission  
6 in July of this year, and then after the contract  
7 was approved, the contractor decided not to go  
8 ahead with it because of the economic  
9 downturn.

10 Consequently, the subcontractor decided  
11 to pick this contract up. And so this is  
12 basically an identical contract with no change  
13 except for the subcontractor, who is now the main  
14 contractor.

15 COMMISSIONER GEESMAN: So it's the same  
16 one we approved --

17 MR. KULKARNI: In July.

18 COMMISSIONER GEESMAN: -- in July.

19 COMMISSION CHAIRMAN KEESE: Do I have a  
20 motion?

21 COMMISSIONER GEESMAN: So moved.

22 (Thereupon, the motion was made.)

23 COMMISSION CHAIRMAN KEESE: Motion,  
24 Geesman.

25 COMMISSIONER BOYD: Second.



1 (Thereupon, the motion was seconded.)

2 COMMISSION CHAIRMAN KEESE: Second,

3 Boyd.

4 Any conversation?

5 All in favor?

6 (Ayes.)

7 COMMISSION CHAIRMAN KEESE: Opposed?

8 Adopted, four to nothing.

9 Thank you.

10 I wondered if I'd been sleeping, because

11 I thought I'd seen that before.

12 Item three (sic), ICF Consulting,

13 possible approval of contract 600-02-004 for

14 \$1,000,000 to provide expert technical support for

15 the transportation fuels program.

16 Good morning.

17 MS. STONER: Good morning. I'm Sherry

18 Stoner with the Transportation Energy Division,

19 and we're here requesting the Commission's

20 approval on a new contract with ICF Consulting for

21 a million dollars. This contract will provide the

22 Commission with expert technical assistance for

23 transportation fuels program support and program

24 development in the conventional transportation

25 fuels area.

1           The period of the term of the contract  
2     will be November 1 to October 31, 2005. The  
3     proposed contractor was chosen using the standard  
4     request for proposal process, and the evaluation  
5     and selection committee found that the proposal  
6     met the technical score for consideration, and the  
7     cost bid included acceptable rates and hours  
8     necessary to complete the scope of the work.

9           COMMISSION CHAIRMAN KEESE: Thank you.

10          Commissioner Boyd?

11          COMMISSIONER BOYD: Mr. Chairman, I'd  
12     Like to move to adopt approval of this item as  
13     recommended by the staff, and as reviewed and  
14     recommended by the Transportation Committee.

15          (Thereupon, the motion was made.)

16          COMMISSION CHAIRMAN KEESE: Motion,  
17     Commissioner Boyd.

18          COMMISSIONER PERNELL: Second.

19          (Thereupon, the motion was seconded.)

20          COMMISSION CHAIRMAN KEESE: Second,  
21     Commissioner Pernell.

22          Public comment?

23          All in favor?

24          (Ayes.)

25          COMMISSION CHAIRMAN KEESE: Opposed?

1           Adopted, four to nothing.

2           Thank you.

3           Then we will start in series. We'll go  
4 to item two, Peak Load Program Guidelines:  
5 Possible consideration and adoption of major  
6 revisions to the AB 970 guidelines for the Peak  
7 Load Reduction Program --

8           COMMISSIONER PERNELL: Mr. Chairman,  
9 weren't you going to item nine first?

10          COMMISSION CHAIRMAN KEESE: I'm sorry, I  
11 had marked that off, my mistake. Item nine, Local  
12 Jurisdiction Energy Assistance Loan Account:  
13 Possible approval of a loan to the County of San  
14 Mateo for \$304,000 to install two 75-kilowatt  
15 natural gas-fired cogeneration systems --

16          COMMISSIONER PERNELL: Mr. Chairman?

17          COMMISSION CHAIRMAN KEESE: Commissioner  
18 Pernell?

19          COMMISSIONER PERNELL: This item came  
20 before the Efficiency Committee. It is a loan  
21 that we have done similar loans before and the  
22 Committee approved it. If there are no questions  
23 from the board, I would move the item.

24          (Thereupon, the motion was made.)

25          COMMISSION CHAIRMAN KEESE: Motion,

1 Commissioner Pernell.

2 COMMISSIONER GEESMAN: Second.

3 (Thereupon, the motion was seconded.)

4 COMMISSION CHAIRMAN KEESE: Second,  
5 Commissioner Geesman.

6 I do have one question. Have we done  
7 cogeneration of this, 75-kilowatt cogen programs  
8 under this loan program before?

9 MR. WANG: Yes.

10 COMMISSION CHAIRMAN KEESE: We have?

11 MR. WANG: And many other eligible  
12 institutions, Like high school swimming pools and  
13 hospitals also.

14 COMMISSION CHAIRMAN KEESE: Cogen?

15 MR. WANG: Yes.

16 COMMISSION CHAIRMAN KEESE: Are we  
17 getting replication? I mean, is it moving towards  
18 commercialization so that others, private  
19 enterprise will start following this lead?

20 MR. WANG: These are commercialized  
21 packaged units available to a lot of people, and  
22 they just need the funding to install it.

23 COMMISSION CHAIRMAN KEESE: So the  
24 entities we're assisting need the funding. Others  
25 are doing it on their own in the market?

1 MR. WANG: Yes.

2 COMMISSION CHAIRMAN KEESE: Thank you.

3 Motion to second.

4 Any public comment?

5 All in favor?

6 (Ayes.)

7 COMMISSION CHAIRMAN KEESE: Opposed?

8 Adopted, four to nothing.

9 Thank you. And thank you,  
10 Commissioners, for keeping me in order here.

11 We will then take up item two, Peak Load  
12 Program Guidelines: Possible consideration and  
13 adoption of major revisions to the AB 970  
14 guidelines.

15 COMMISSIONER PERNELL: Mr. Chairman,  
16 just by way of introduction, I know we have  
17 Mr. Sugar who will explain the item further, but  
18 during California's electricity challenge in late  
19 2000, the Legislature established a peak load  
20 reduction program under AB 970 which committed \$50  
21 million to reducing peak load electricity demand.

22 The Energy Commission programs reduced  
23 demand by some 450 megawatts of savings; however,  
24 in a few cases came in under budget, and there  
25 were some that were canceled. And what this item

1 is doing is allowing the Commission, what staff is  
2 proposing is to change the program guidelines to  
3 allow the Commission to reallocate those funds for  
4 further peak load reductions.

5 And I would just introduce, well,  
6 present Mr. Sugar to the Committee.

7 MR. SUGAR: Thank you, Commissioner.

8 COMMISSION CHAIRMAN KEESE: Thank you,  
9 and since a number of the items on the agenda  
10 follow this item, would you give a brief  
11 explanation of what we're doing here.

12 MR. SUGAR: Certainly. AB 970 directed  
13 the Commission to adopt program guidelines before  
14 going ahead and spending the \$50 million that were  
15 allocated for peak load reduction programs. As  
16 part of the guidelines, because we were directed  
17 to achieve savings as quickly as possible, a  
18 number of the guidelines had deadlines for  
19 programs, for projects to be in effect by the end  
20 of the summer of 2001, and allowed the Committee  
21 flexibility to extend contracts but the interest  
22 wasn't encouraging savings as quickly as possible.

23 Some projects have used less funding  
24 than was originally anticipated. A number of  
25 projects have been canceled, in a few cases with

1 the Cool Savings Program, the Cool Roofs Program.  
2 The contracts simply aren't using the money as  
3 quickly as is hoped. There aren't as many  
4 projects, particularly for Los Angeles Department  
5 of Water and Power and for SMUD.

6 So these changes in the guidelines will  
7 allow us to reallocate those funds to projects  
8 that will offer peak load reduction more quickly.  
9 And the changes, one, remove the deadline of  
10 summer 2001 in a lot of cases so that the  
11 Committee is able to go forward to reallocate  
12 funds for projects that are obviously going to  
13 come in after that date.

14 And then the changes also restate our  
15 ability to use noncompetitive contracting. That  
16 allows us to move quickly with a minimum of staff  
17 time to get new projects going. That capability  
18 of using noncompetitive contracts has been with  
19 the program, but we're making it clearer in the  
20 guidelines that that is the case.

21 With approval of these guideline  
22 changes, we can then go ahead and begin to  
23 reallocate funding from the SMUD Cool Roofs  
24 Program and LADWP's Cool Roof Program to a couple  
25 of other projects or areas where we expect to get

1 peak load reduction more quickly.

2 COMMISSION CHAIRMAN KEESE: Thank you.

3 Any comment from Commissioners?

4 Any public comment?

5 Do I have a motion?

6 COMMISSIONER PERNELL: Mr. Chairman, I  
7 would move the item, item two, Peak Load Reduction  
8 Guideline Changes.

9 (Thereupon, the motion was made.)

10 COMMISSIONER BOYD: Second the motion.

11 (Thereupon, the motion was seconded.)

12 COMMISSION CHAIRMAN KEESE: Motion,  
13 Commissioner Pernell. Second, Commissioner Boyd.

14 All in favor?

15 (Ayes.)

16 COMMISSION CHAIRMAN KEESE: Opposed?

17 Adopted, four to nothing.

18 Thank you.

19 MR. SUGAR: Thank you.

20 COMMISSION CHAIRMAN KEESE: I thought  
21 you were going to -- Aren't you going to --

22 MR. SUGAR: Well, we were --

23 COMMISSION CHAIRMAN KEESE: Oh, that's  
24 fine, the team approach.

25 (Laughter.)



1 COMMISSION CHAIRMAN KEESE: All right.

2 Then we'll take up item five, Los Angeles  
3 Department of Water of Power: Possible approval  
4 of contract 400-00-022, Amendment 2, to  
5 disencumber the remaining AB 970 funds we just  
6 freed up for the amount of \$1,001,880.12 -- I'm  
7 sorry, 82 cents, I can't read.

8 Good morning.

9 MS. LEW: Good morning. My name is  
10 Virginia Lew and I'm speaking on behalf of Melinda  
11 Rogers on this item.

12 Staff is requesting approval to  
13 disencumber these funds from our contract with Los  
14 Angeles Department of Water and Power. As  
15 Mr. Sugar indicated, these funds originally were  
16 to be used for the Cool Savings Program. The  
17 current contract with LADWP ends on January 15th,  
18 2003, and LADWP has indicated that they will not  
19 be able to spend these funds prior to the end of  
20 the contract term.

21 This is the reason why we are  
22 recommending disencumbering these funds so that  
23 they can be used for other projects, such as the  
24 item that's coming on, the next item on the  
25 agenda.

1 COMMISSION CHAIRMAN KEESE: Thank you.

2 COMMISSIONER PERNELL: Mr. Chairman, I  
3 would move the item.

4 (Thereupon, the motion was made.)

5 COMMISSION CHAIRMAN KEESE: Motion,  
6 Commissioner Pernell.

7 COMMISSIONER BOYD: Second.

8 (Thereupon, the motion was seconded.)

9 COMMISSION CHAIRMAN KEESE: Second,  
10 Commissioner Boyd.

11 All in favor?

12 (Ayes.)

13 COMMISSION CHAIRMAN KEESE: Opposed?

14 Adopted, four to nothing.

15 MS. LEW: Thank you.

16 COMMISSION CHAIRMAN KEESE: Thank you.

17 Then we will move to item six, Building  
18 Owners and Managers Association of Greater Los  
19 Angeles: Possible approval of contract 400-01-  
20 010, Amendment 3, for \$1,000,000, to deliver an  
21 additional four megawatts of permanent peak  
22 reduction.

23 Good morning.

24 MR. SULEIMAN: Good morning,

25 Mr. Chairman, Commissioners. My name is Adel

1 Suleiman.

2 BOMA is currently under contract with  
3 the CEC to install energy efficiency measures such  
4 as lighting and HVC retrofits that would permit  
5 the use of 13-megawatts of power from their  
6 members, commercial, and facilities throughout the  
7 state.

8 At this time BOMA's program is 90-  
9 percent, and it is fully subscribed. All existing  
10 funds are committed. However, a substantial  
11 number of facilities are on their waiting list and  
12 would like to participate in this program, pending  
13 additional funding.

14 This item, Amendment Number 3, will  
15 increase funding by \$1,000,000 in the form of  
16 incentives, and it provides a four-month time  
17 extension over the existing contract term. In  
18 exchange, BOMA would deliver another four  
19 megawatts of permanent peak reduction through  
20 energy efficiency projects from the facilities  
21 that are currently on the waiting list.

22 Staff is seeking approval for this  
23 amendment.

24 COMMISSION CHAIRMAN KEESE: Thank you.

25 COMMISSIONER PERNELL: Mr. Chairman?

1 COMMISSION CHAIRMAN KEESE: Commissioner  
2 Pernell?

3 COMMISSIONER PERNELL: Mr. Chairman,  
4 BOMA has been working with the Commission and  
5 Commission staff and has been a successful  
6 contractor, and I would move the item.

7 (Thereupon, the motion was made.)

8 COMMISSION CHAIRMAN KEESE: Motion,  
9 Commissioner Pernell.

10 COMMISSIONER GEESMAN: Second.

11 (Thereupon, the motion was seconded.)

12 COMMISSION CHAIRMAN KEESE: Second,  
13 Commissioner Geesman.

14 Any public comment?

15 All in favor?

16 (Ayes.)

17 COMMISSION CHAIRMAN KEESE: Opposed?

18 Adopted, four to nothing.

19 Thank you. That money came back and  
20 went out pretty fast.

21 (Laughter.)

22 COMMISSION CHAIRMAN KEESE: Item eight,  
23 Sacramento Municipal Utility District: Possible  
24 approval of contract 400-00-024, Amendment 2, to  
25 disencumber remaining AB 970 funds. I would

1 gather this is the same --

2 MS. LEW: Correct.

3 COMMISSIONER PERNELL: Mr. Chairman?

4 COMMISSION CHAIRMAN KEESE: I will read  
5 the number, then. It is \$813,450.20.

6 Commissioner Pernell?

7 COMMISSIONER PERNELL: Well,  
8 Mr. Chairman, just a point of clarification. I  
9 have a different number on mine.

10 COMMISSION CHAIRMAN KEESE: I know,  
11 that's why I'm reading my number.

12 COMMISSIONER PERNELL: Okay. Your  
13 number is correct?

14 COMMISSION CHAIRMAN KEESE: That's what  
15 I'm assured.

16 COMMISSIONER PERNELL: Mr. Chairman, I  
17 would move the item.

18 (Thereupon, the motion was made.)

19 COMMISSION CHAIRMAN KEESE: Motion,  
20 Commissioner Pernell.

21 COMMISSIONER BOYD: Second.

22 (Thereupon, the motion was seconded.)

23 COMMISSIONER BOYD: Second, Commissioner  
24 Boyd.

25 All in favor?

1 (Ayes.)

2 COMMISSION CHAIRMAN KEESE: Opposed?

3 Adopted, four to nothing.

4 Then we will go to item, see if we can  
5 spend this money, go to item ten, Peak Electricity  
6 Demand Reduction Grant Program: Possible approval  
7 of an \$18,950 grant to the City of Ridgecrest for  
8 converting 288 existing incandescent lights.

9 COMMISSIONER PERNELL: Mr. Chairman,  
10 again, we have been active in the market  
11 transformation of LED traffic signals, and this is  
12 just another example of that. And, as you had  
13 indicated, we are disencumbering some funds and  
14 moving them out as fast as we can.

15 I would move the item.

16 (Thereupon, the motion was made.)

17 COMMISSION CHAIRMAN KEESE: Motion,  
18 Commissioner Pernell.

19 COMMISSIONER BOYD: Second.

20 (Thereupon, the motion was seconded.)

21 COMMISSION CHAIRMAN KEESE: Second,  
22 Commissioner Boyd.

23 All in favor?

24 (Ayes.)

25 COMMISSION CHAIRMAN KEESE: Opposed?

1           Adopted, four to nothing.

2           I will mention at this time that none of  
3     the contracts that we took up today are subject to  
4     the Governor's Executive Order. All of them are  
5     in the exempt category.

6           Minutes, we have the minutes of  
7     October 9th; September 20th; October 11th, 2000;  
8     October 25th, 2000; October 31st, 2000, we're  
9     coming close to ending it.

10          Do I have a motion?

11          COMMISSIONER PERNELL: Mr. Chairman, I  
12     would move the minutes of the meetings that I  
13     attended, which I do believe is all of them.

14          (Thereupon, the motion was made.)

15          COMMISSION CHAIRMAN KEESE: Okay, thank  
16     you. Motion on those minutes I just read.

17          Do we have a second?

18          COMMISSIONER BOYD: Well, I'll second  
19     two out of three, because I was absent for one of  
20     them.

21          (Laughter.)

22          COMMISSIONER BOYD: I'll second the  
23     motion.

24          (Thereupon, the motion was seconded.)

25          COMMISSION CHAIRMAN KEESE: You're going

1 to have to second them all. Second by  
2 Commissioner Boyd.

3 All in favor?

4 (Ayes.)

5 COMMISSION CHAIRMAN KEESE: Opposed?

6 Adopted.

7 COMMISSIONER GEESMAN: I'd Like to be  
8 recorded as abstaining on all of those except  
9 October 9.

10 COMMISSION CHAIRMAN KEESE: Okay, so  
11 noted and so revised to reflect that.

12 Commission Committee and Oversight, I  
13 will mention we're going to be going into  
14 executive session later. Does anybody have  
15 anything to bring up at this time?

16 COMMISSIONER BOYD: Well, I would just  
17 mention, Mr. Chairman, that as three of the four  
18 of you know, yesterday we had our first meeting of  
19 the Ad Hoc Committee for the Integrated Energy  
20 Policy Report in this room, filled it to -- I  
21 think we filled every seat in the room, I was very  
22 pleased with the attendance. And I think it was a  
23 quite successful committee meeting and the first  
24 one on this subject, and look forward to  
25 subsequent equally well-attended and cooperative



1 meetings as we had yesterday.

2 COMMISSION CHAIRMAN KEESE: Thank you.

3 I guess I would Like to -- I see Ms. DeCarlo has  
4 gotten out of here, but I would just Like to  
5 comment that seeing her present today after we  
6 went from 10:00 o'clock until 9:30 Monday night in  
7 Tracy, and we went from 9:00 o'clock until 6:15  
8 last night in Tracy on a siting case, it's a  
9 rather quick turnaround to switch, so thank you to  
10 staff who does those things for us.

11 COMMISSIONER BOYD: Mr. Chairman, I'd  
12 Like to suggest you stay away from all further  
13 World Series games.

14 (Laughter.)

15 COMMISSION CHAIRMAN KEESE: I plan to do  
16 that.

17 Chief Counsel's report?

18 CHIEF COUNSEL CHAMBERLAIN: Yes,  
19 Mr. Chairman. I would just Like to bring to your  
20 attention the fact that the California Supreme  
21 Court has upheld the Commission's decision on the  
22 Tracy Peaker Power Plant, and the only other thing  
23 is the required executive session.

24 COMMISSION CHAIRMAN KEESE: Thank you.

25 Executive Director's report?

1 EXECUTIVE DIRECTOR LARSON: Nothing to  
2 report at this time.

3 COMMISSION CHAIRMAN KEESE: Public  
4 Adviser's report?

5 DEPUTY PUBLIC ADVISER BOS: None at this  
6 time.

7 COMMISSION CHAIRMAN KEESE: Public  
8 comment?

9 Seeing none, this meeting will be  
10 adjourned after we get through with our executive  
11 session.

12 (Thereupon, the meeting was  
13 adjourned at 10:37 a.m.)

14 --oOo--

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16 \*\*\*\*\*

17 \*\*\*\*\*

## CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter,  
do hereby certify that I am a disinterested person  
herein; that I recorded the foregoing California  
Energy Commission business meeting; that it was  
thereafter transcribed into typewriting.

I further certify that I am not of  
counsel or attorney for any of the parties to said  
meeting, nor in any way interested in outcome of  
said meeting.

IN WITNESS WHEREOF, I have hereunto set  
my hand this 1st day of November, 2002.

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